

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

Inspection Report Minerals Regulatory Program November 18, 2008

Reviewed: Z

Mine Name: White Cap #8 Permit number: S0150047 Operator Name: Gypsum Resource Development Inspection Date: April 21, 2008 Time: About 2:00-2:15 PM

Inspector(s): Paul Baker Other Participants: None Mine Status: Reclaimed

Weather: Mostly clear

Elements of Inspection	Evaluated	Comment	Enforcement
 Permits, Revisions, Transfer, Bonds, Permit Fees Public Safety (shafts, adits, trash, signs, highwalls) 			
3. Protection of Drainages / Erosion Control	<u> </u>		ij
4. Deleterious Material5. Roads (maintenance, surfacing, dust control, safety)			
6. Concurrent Reclamation7. Backfilling/Grading (trenches, pits, roads, highwalls,			
shafts, drill holes)			
8. Soils			
9. Revegetation 10. Other		Ä	

Purpose of Inspection:

I wanted to see whether the grizzly had been removed and how vegetation was progressing.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds, Permit Fees

The Division holds a reclamation surety of \$10,000.00. On November 17, 2008, the Division received a request to release \$9000.00.

7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes) The operator completed grading in April 2007. The entire site has positive drainage and blends well with surrounding areas. It was left rough but not too rough.

The grizzly had not been removed as of the date of the inspection, but I understand it is now gone.

9. Revegetation

The site was seeded in April 2007 shortly after grading was completed. I saw nothing growing. There should have been plant skeletons is anything had grown the year before, but there was nothing.

Conclusions and Recommendations:

The Division needs to retain enough surety to scarify and reseed the site. The BLM and I have agreed that \$3000.00 should be adequate.

Inspection Date: April 21, 2008; Report Date: November 19, 2008

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The operator called me on November 18, 2008, and said there was a lot of vegetation. He did not know what species were present but felt the amount of cover was similar to adjacent areas. The Division should check the vegetation, but some surety will need to be kept until the area has gone through at least three growing seasons.

Inspector's Signature

PBB:vs

cc: Curtis Larkin, Gypsum Resource Development

Christopher Conrad, Price BLM

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Photo 1. I understand the grizzly shown in this picture is now gone. The site is well graded and was left rough, but I saw no vegetation.

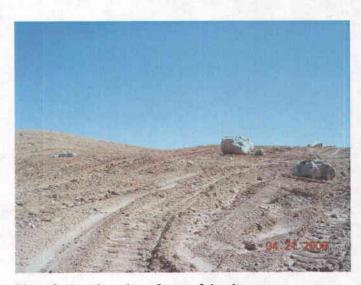


Photo 2. Another view of part of the site.